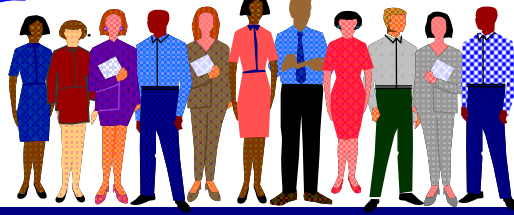


# Personnel Issues & You



UPPS Newsletter 2003-7

July 1, 2003

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## Local Tax Updates

The following tax rate changes are effective July 1, 2003.

**Bowling Green**, resident code 18-04 and non-resident code 18-87, increased the local tax to 2.00%

**Garrard County** (18-96) increased the occupational tax from 1.0% to 2.0%.

**Wilder** (18-42) increased the local tax to 2.25%.

**Boyd county** (05-97) voted in a local tax of 1.00%. Employees that work in the cities of Ashland and Catlettsburg will only pay the city rate, not the Boyd County rate.

**Radcliff** (05-17) increased the local tax rate from 1.00% to 2.00%.

**Owensboro** (18-33) increased the local tax rate from 1.00% to 1.33%.

## New Salary Schedule

Pursuant to the provisions of Executive Order 2002-789, the entry level and midpoint wage of all grades will increase by 2.463% on July 1, 2003. The new salary schedule is attached and can also be found in the Procedures Manual for Personnel/Position Actions and at our web page at <http://personnel.ky.gov/empben.htm>.

The only people affected by this change will be employees below the new entry level wage who will be increased to the new entry level wage.

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# Emergency Employees

HB 269 passed by the General Assembly states in part "...When an agency head certifies that an emergency employment situation exists for a limited time within a fiscal year, the State Budget Director may approve, and the Secretary of Personnel may authorize, the employment of individuals in addition to the authorized complement for the duration of the limited time period so authorized within the fiscal year. A copy of records, certifications, and actions authorized in this section shall be provided to the Interim Joint Committee on Appropriations and Revenue on a monthly basis."

If approved, in order to be hired the employee needs only to meet the minimum requirements and can be full or part-time. Full-time emergency employees will receive all benefits and part-time emergency employees will be eligible for the increment (probationary) only. The employment status code is "D". If you have any questions regarding emergency employees please contact Jackie Shrout at 502-564-6464.

# New Health Insurance System

The Personnel Cabinet, Office of Public Employee Health Insurance (OPEHI) has been working to improve the processes and systems used to manage Health Insurance for all planholders. During the summer months last year, a study of strengths, weaknesses and gaps in the current system and processes culminated in a series of recommendations for improvement. For the past nine months, the OPEHI has developed new systems and processes to fill those gaps and turn the weaknesses into strengths.

Throughout the development of these changes, the OPEHI has worked closely with the primary payroll processing groups, including UPPS.

During mid-August, the OPEHI will implement the new Group Health Insurance system and many of the new procedures. The changes which most directly affect Payroll Officers are discussed below:

Many fewer applications will be pended than in the past. For example, applications will no longer be pended during open enrollment if a pended application exists for the current year.

An automated email process will be used to send information to the Insurance Coordinators regarding pended and rejected applications. These emails will provide immediate communication regarding coverage problems, allowing necessary correction processes to begin at once.

The automated email process will also be used to confirm that enrollment or qualifying event changes have been accepted by the OPEHI.

New processes and automatic rules processing in the system will eliminate much of the manual intervention required by the OPEHI. This results in reducing the lead-time for processing applications and changes.

Going forward, OPEHI will be the "system of record" for all coverage information. Therefore, once an application or dependent add/drop form is accepted, the OPEHI will automatically transmit the deduction information directly to UPPS. Payroll Officers will no longer enter Health Insurance and FSA deduction information except for retroactive deductions. Transmission will be performed both at the end of open enrollment and throughout the year.

Numerous additional recommendations which improve processes and workflow are also being implemented. Further work has already begun on recommendations designed to decrease reconciliation inconsistencies and eliminate the duplication of tasks by the introduction and documentation of standard procedures. Implementation for this phase of the project is scheduled for the first half of next year.

# Annual Increment for FY 2003-2004

The 2003 regular session of the General Assembly passed HB 269 which among other things, determines the salary increment for state employees. For fiscal year 2003-2004 eligible permanent full-time state employees will receive an increment amounting to an annualized value of \$1,080 added to their base salary. Eligible 37.5 hours/week part-time employees will receive an hourly increase of .554 and 40 hour/wk part-time employees will receive an hourly increase of .520.

The unclassified positions of Cabinet Secretary, Deputy Secretary, Commissioner, Deputy Commissioner, Executive Director, Deputy Executive Director, Division Director, Principal Assistant, General Counsel, or any other position subject to the provisions of KRS 12.050 or any employee appointed pursuant to KRS 11.040(1) are not eligible for this salary increase.

## July 1, 2003 Salary Schedule

### COMMONWEALTH OF KENTUCKY

Classified and Unclassified  
Salary Schedule Effective July 1, 2003

Grade	Rates	Entry Level Wage	Midpoint Wage
3	HR	\$ 5.749	\$ 7.616
	MO	\$ 934.22	\$ 1,237.60
	AN	\$ 11,210.64	\$ 14,851.20
4	HR	\$ 6.323	\$ 8.376
	MO	\$ 1,027.50	\$ 1,361.10
	AN	\$ 12,330.00	\$ 16,333.20
5	HR	\$ 6.955	\$ 9.214
	MO	\$ 1,130.20	\$ 1,497.28
	AN	\$ 13,562.40	\$ 17,967.36
6	HR	\$ 7.651	\$ 10.136
	MO	\$ 1,243.30	\$ 1,647.10
	AN	\$ 14,919.60	\$ 19,765.20
7	HR	\$ 8.415	\$ 11.148
	MO	\$ 1,367.44	\$ 1,811.56
	AN	\$ 16,409.28	\$ 21,738.72
8	HR	\$ 9.257	\$ 12.263
	MO	\$ 1,504.28	\$ 1,992.74
	AN	\$ 18,051.36	\$ 23,912.88
9	HR	\$ 10.182	\$ 13.490
	MO	\$ 1,654.58	\$ 2,192.14
	AN	\$ 19,854.96	\$ 26,305.68
10	HR	\$ 11.200	\$ 14.838
	MO	\$ 1,820.00	\$ 2,411.18
	AN	\$ 21,840.00	\$ 28,934.16
11	HR	\$ 12.321	\$ 16.322
	MO	\$ 2,002.18	\$ 2,652.34
	AN	\$ 24,026.16	\$ 31,828.08
12	HR	\$ 13.552	\$ 17.954
	MO	\$ 2,202.20	\$ 2,917.54
	AN	\$ 26,426.40	\$ 35,010.48

### COMMONWEALTH OF KENTUCKY

Classified and Unclassified  
Salary Schedule Effective July 1, 2003

Grade	Rates	Entry Level Wage	Midpoint Wage
13	HR	\$ 14.908	\$ 19.847
	MO	\$ 2,422.56	\$ 3,225.14
	AN	\$ 29,070.72	\$ 38,701.68
14	HR	\$ 16.398	\$ 21.725
	MO	\$ 2,664.68	\$ 3,530.32
	AN	\$ 31,976.16	\$ 42,363.84
15	HR	\$ 18.038	\$ 23.898
	MO	\$ 2,931.18	\$ 3,883.44
	AN	\$ 35,174.16	\$ 46,601.28
16	HR	\$ 19.842	\$ 26.287
	MO	\$ 3,224.34	\$ 4,271.64
	AN	\$ 38,692.08	\$ 51,259.68
17	HR	\$ 21.825	\$ 28.915
	MO	\$ 3,546.58	\$ 4,698.70
	AN	\$ 42,558.96	\$ 56,384.40
18	HR	\$ 24.010	\$ 31.807
	MO	\$ 3,901.64	\$ 5,168.64
	AN	\$ 46,819.68	\$ 62,023.68
19	HR	\$ 26.408	\$ 34.986
	MO	\$ 4,291.30	\$ 5,685.24
	AN	\$ 51,495.60	\$ 68,222.88
20	HR	\$ 29.050	\$ 38.487
	MO	\$ 4,720.64	\$ 6,254.14
	AN	\$ 56,647.68	\$ 75,049.68
21	HR	\$ 31.955	\$ 42.335
	MO	\$ 5,192.70	\$ 6,879.44
	AN	\$ 62,312.40	\$ 82,553.28
22*	HR	\$ 35.149	\$ 46.567
	MO	\$ 5,711.72	\$ 7,567.14
	AN	\$ 68,540.64	\$ 90,805.68

\* Denotes grades unique to the Unclassified Service